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POST-STORM COST MAY FORCE MANY FROM COAST LIFE

WOES FOR NONWEALTHY

Flood Insurance Rates to Go Up as Rebuilding Becomes Stricter

By DAVID M. HALBFINGER

New York and New Jersey residents, just coming to grips with the enormous costs of repairing homes damaged or destroyed by Hurricane Sandy, will soon face another financial blow: soaring flood insurance rates and heightened standards for rebuilding that threaten to make seaside living, once and for all, a luxury only the wealthy can afford.

Homeowners in storm-damaged coastal areas who had flood insurance — and many more who did not, but will now be required to — will face premium increases of as much as 20 percent or 25 percent per year beginning in January, under legislation enacted in July to shore up the beleaguered National Flood Insurance Program. The yearly increases will add hundreds, even thousands, of dollars to homeowners' annual bills.

The higher premiums, coupled with expensive requirements for homes being rebuilt within newly mapped flood hazard zones, which will take into account the storm's vast reach, pose a serious threat to middle-class and lower-income enclaves. In Queens, on Staten Island, on Long Island and at the Jersey Shore, many families have clung fast to a modest coastal lifestyle. When passing bungalows or small Victorian homes down through generations, even as development turned other places into playgrounds for the well-to-do.

Many wealthy homeowners are beginning to rebuild without any thought to future costs, but the changes could propel a demographic shift along the Northeast Coast, even in places spared by the storm, according to federal officials, insurance industry executives and regional development experts. Ronald Schiffman, a former member of the New York City Planning Commission, said that barring intervention by Congress or the states, there

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REBEL GAINS Syrian insurgents were said to have downed a plane on Wednesday, and an opposition group met in Egypt. Page A16.

Insider Inquiry Pushes Relevance Into Public Eye

By PETER LATMAN

In recent years, Steven A. Cohen, the once-reclusive money manager, has carved out a public profile straddling a number of fields: a prodigious art collector, an investor in the New York Mets, a supporter of Mitt Romney's presidential campaign.

Now he has been thrust into an unwanted role: defending SAC Capital Advisors, his \$14 billion hedge fund, against an intensifying government investigation into insider trading.

At 8 a.m. on Wednesday, an hour when Mr. Cohen is normally at the center of SAC's cavernous trading floor in Stamford, Conn., he sat in his office to hold a hastily arranged conference call with his clients.

Wealthy investors dialing in from as far away as Europe and Asia listened to soothing classical music before the call started. Then they received some grim news: Federal securities regulators were preparing to file a civil

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Costliest Jet, Years in Making, Sees the Enemy: Budget Cuts

By CHRISTOPHER DREW

LEXINGTON PARK, Md. — The Marine version of the F-35 Joint Strike Fighter, already more than a decade in the making, was facing a crucial question: Could the jet, which can soar well past the speed of sound, land at sea like a helicopter?

On an October day last year, with Lt. Col. Fred Schenk in the controls, the plane glided toward a ship off the Atlantic coast and then, its engine rotating straight down, descended gently to the deck at seven feet a second.

There were cheers from the ship's crew members, who "were all shaking my hands and smiling," Colonel Schenk recalled.

THE NEXT WAR

The High Price of Ambition

The smooth landing helped save that model and breathed new life into the huge F-35 program, the most expensive weapons system in military history.

But while Pentagon officials now say that the program is making progress, it begins its 12th year in development years behind schedule, troubled with technological flaws and facing concerns about its relatively short flight range as possible threats grow from Asia.

With a record price tag — potentially in the hundreds of billions —

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Talking Points Overshadow Bigger Libya Issues

By SCOTT SHANE

WASHINGTON — Three days after the lethal attack on the American Mission in Benghazi, Libya, Representative C.A. Dutch Ruppersberger of Maryland, the top Democrat on the House Intelligence Committee, asked intelligence agencies to write up some unclassified talking points on the episode. Reporters were besieging him and other legislators for comment, and he did not want to misstate facts or disclose classified information.

More than 10 weeks later, the four pallid sentences that intelligence analysts cautiously delivered are the unlikely center of a

NEWS ANALYSIS

quintessential Washington drama, in which a genuine tragedy has been fed into the meat grinder of election-year politics. In the process, the most important questions about Benghazi, where Ambassador J. Christopher Stevens and three other Americans were killed on Sept. 11, have largely gotten lost: Were requests for greater security for diplomats in Libya ignored? Even if Al Qaeda's core in Pakistan has been decimated, what threat is posed by its affiliates and imitators in other countries where they have taken refuge? How can crucial diplomacy be conducted amid the dangerous chaos that has followed the toppling of dictators across the Arab

world?

Instead, it is the parsing of the talking points — who wrote them, altered them, recited them on television or tried to explain them — that could decide the fate of a leading candidate for secretary of state, Susan E. Rice, currently the United Nations ambassador. On Wednesday, for the second time in two weeks, Ms. Rice received a hearty endorsement from President Obama in the face of a continuing battering on Capitol Hill.

"Susan Rice is extraordinary," he said in response to a reporter's question as he met at the White House with his cabinet for the first time since the election. "Couldn't be prouder of the job that she's done."

Now the talking points could also affect the chances of a top candidate for C.I.A. director, Michael Morell, the agency's acting director, who on Tuesday accompanied Ms. Rice to a briefing for some of her most vocal Senate critics and misspoke about changes in the original draft of the talking points.

Intelligence officials said Wednesday that Mr. Morell's flub, which prompted a sharply worded statement from three Republican senators, was an insignificant mix-up: He said the F.B.I. had taken out a specific reference to Al Qaeda, when in fact that change was made by the C.I.A. The F.B.I. had added another phrase to the same sentence.

"This was an honest mistake, and it was corrected as soon as it

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Susan E. Rice leaving the Capitol on Wednesday after meeting separately with Senators Susan Collins and Bob Corker.

Firing a Coach, at a Price, With Little Evidence the Move Pays Off

By JERÉ LONGMAN

For an especially lucrative occupation, one might consider becoming a fired college football coach.

The latest symbol of the college football arms race is not the coaches' salaries themselves but rather the money that university officials are spending to buy out

those huge contracts when a coach falters.

After Tennessee fired its coach last week, the university's chancellor said the athletic department would forgo \$18 million in contributions it was to make to the university over the next three years for academic scholarships and fellowship programs. Instead, some of the money will be used to pay the severance pack-

ages of the coach, Derek Dooley, who is owed \$5 million, and his staff, which is owed a reported \$4 million if it is not retained. Dooley had four years remaining on his contract.

On Sunday, Auburn fired its coach, Gene Chizik, two seasons after the Tigers went unbeaten and won the national championship. Auburn said it owed \$11 million in buyouts to its coaching

Late Edition

Today, sun and clouds, a chilly breeze, high 45. Tonight, partly cloudy, low 35. Tomorrow, clouds and periodic sun, still rather chilly, high 44. Weather map, Page A27.

U.S. IS WEIGHING STRONGER ACTION IN SYRIA CONFLICT

POSSIBLE TURNING POINT

Direct Aid to Rebels and Missiles for Turkey Are Considered

By DAVID E. SANGER
and ERIC SCHMITT

WASHINGTON — The Obama administration, hoping that the conflict in Syria has reached a turning point, is considering deeper intervention to help push President Bashar al-Assad from power, according to government officials involved in the discussions.

While no decisions have been made, the administration is considering several alternatives, including directly providing arms to some opposition fighters.

The most urgent decision, likely to come next week, is whether NATO should deploy surface-to-air missiles in Turkey, ostensibly to protect that country from Syrian missiles that could carry chemical weapons. The State Department spokeswoman, Victoria Nuland, said Wednesday that the Patriot missile system would not be "for use beyond the Turkish border."

But some strategists and administration officials believe that Syrian Air Force pilots might fear how else the missile batteries could be used. If so, they could be intimidated from bombing the northern Syrian border towns where the rebels control considerable territory. A NATO survey team is in Turkey, examining possible sites for the batteries.

Other, more distant options include directly providing arms to opposition fighters rather than only continuing to use other countries, especially Qatar, to do so. A riskier course would be to insert C.I.A. officers or allied intelligence services on the ground in Syria, to work more closely with opposition fighters in areas that they now largely control.

Administration officials discussed all of these steps before the presidential election. But the combination of President Obama's re-election, which has made the White House more willing to take risks, and a series of recent tactical successes by rebel forces, one senior administration official said, "has given this debate a new urgency, and a new focus."

The outcome of the broader debate about how heavily America should intervene in another Middle Eastern conflict remains uncertain. Mr. Obama's record in intervening in the Arab Spring has been cautious: While he joined in what began as a humanitarian effort in Libya, he refused to put

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U.N. to Vote on Palestinians

The United States and Israel are looking ahead to try to contain damage from a Thursday vote on a United Nations resolution to upgrade the status of the Palestinian Authority. PAGE A4

Push to Finish Egypt's Charter

Assembly leaders said they would complete the draft of Egypt's constitution by Thursday morning, a move that could halt the power struggle between the president and the courts. PAGE A6

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Medicare Faulted on Records

The conversion to electronic medical records is vulnerable to fraud and abuse because Medicare officials failed to develop appropriate safeguards, a government report says. PAGE B1

The G.O.P.'s Tech Gap

The Democrats' strength among high-tech workers has put the Republicans in a weak position in Silicon Valley, Nate Silver writes. PAGE B1



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Online Fame for an Officer

A tourist's photograph has drawn widespread attention to a police officer's act of kindness in Times Square. PAGE A22

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Victories for Two Boroughs

The Nets, with a fight-filled win against Boston, and the Knicks, who beat the Bucks, each moved to 10-4. PAGE B11

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Gifts With Soul

Designers are investing everyday goods with spirit: a selection. PAGE D1

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Passed By in Los Angeles

The Leimert Park neighborhood, the heart of black culture in Los Angeles, may be left without a stop on a new rail line, angering community activists and business leaders. PAGE A20

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Redesigning a Hall

Lincoln Center and the New York Philharmonic are planning a radical revamping of Avery Fisher Hall. PAGE C1

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Don't Polish the Silver

The at-home dinner party, where the conversation sparkles as much as the Champagne, is nearly extinct. PAGE E1

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Gail Collins

PAGE A31

INSPIRED BY 190
YEARS OF HISTORY,
NOT BOUND BY IT.

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